



## ***Committee on Finance and the Northampton City Council***

*Councilor David A. Murphy, Chair  
Councilor Maureen T. Carney  
Councilor Marianne L. LaBarge  
(Vacant)*

**City Council Chambers, 212 Main Street  
Wallace J. Puchalski Municipal Building  
Northampton, MA**

**Meeting Date: June 2, 2016  
Meeting Minutes**

- 1. Meeting Called To Order:** At 7:30 p.m. Councilor Murphy called the meeting to order.
- 2. Roll Call:** Present were committee members Councilor Murphy, LaBarge, and Carney. One seat remains vacant on the Finance Committee.
- 3. Approval Of Minutes From The Previous Meeting:** Councilor LaBarge moved to approve the Minutes of May 5, 2016 and May 19, 2016; Councilor Carney seconded the motion. The motion was approved on a voice vote of 3 Yes, 0 No, 1 Vacant.

#### **4. Financial Orders**

##### **A. 16.114 An Order To Grant VCA, Inc. A 5% TIF Exemption On New Growth Beginning In FY2018**

Mayor Narkewicz explained that the owners of the business are former Leeds School graduates. The started a company in Easthampton and expanded to become one of the first commercial businesses on the south campus of Village Hill (Earle Street). The business has been experiencing significant growth. The Mayor categorizes the growth as "mid-phase" as the business plans to acquire additional property adjacent to their current parcel. Planned now is a 13,000 sq. ft. addition to their building and they are committed to adding between five and ten jobs. The business has been pursuing the State's tax incentive program and has been pre-qualified to receive significant state tax credit. In order to be eligible to receive those credits, the business has to be given a local T.I.F. The Mayor is proposing a symbolic T.I.F. which represents a 5% reduction on any new growth. The Mayor clarified that the reduction will not be on the overall tax bill, just new growth. The City Assessor projected that the discount on the new growth would represent an \$884 savings each year for five years.

Councilor Dwight noted that the previous T.I.F. that was given five years ago has expired. This project seems like the prototype for T.I.F. programming. We've already seen that a T.I.F. will keep manufacturing in the City and help to maintain jobs. The Mayor has indicated that a T.I.F. can be rescinded if the target objectives of the T.I.F. are not met.

Councilor LaBarge noted that the company has done well in keeping the terms of their agreement, both in terms of job growth and expanding the business. She notes that this is a great business to have in Northampton and that the company deserves to have the T.I.F.

Councilor Bidwell notes that these are the kinds of jobs that we want in Northampton and the kinds of businesses that we want to see expanded. He believes the business is in the right location; and it will add \$1,000,000 to the City's tax base.

Councilor LaBarge moved to send the order back to City Council with a positive recommendation; Councilor Carney seconded the motion. The motion was approved on a voice vote of 3 Yes, 0 No, 1 Vacant.

**B. 16.108 Order To Accept Scanlon Avenue As A City Street**

Councilor LaBarge moved to send the order back to City Council with a positive recommendation; Councilor Carney seconded the motion. The motion was approved on a voice vote of 3 Yes, 0 No, 1 Vacant.

**C. 16.100 Financial Order to appropriate \$600,000 from FY16 GF to Fiscal Stability Stabilization Fund and Stabilization Fund**

Mayor Narkewicz notes that this is something that is looked at every year. The free cash must “close” and will no longer be available as of June 30<sup>th</sup>. The order will allow some of the free cash to move into the City’s existing stabilization funds. The Mayor points out that in some ways this money will replace the money taken for the Parks and Recreation building which was taken out of stabilization funds last year because free cash was not available.

Councilor LaBarge moved to send the order back to City Council with a positive recommendation; Councilor Carney seconded the motion. The motion was approved on a voice vote of 3 Yes, 0 No, 1 Vacant.

**5. New Business:** None

**6. Adjourn:** At 7:45 p.m. Councilor LaBarge moved to adjourn the meeting; Councilor Carney seconded the motion. The motion was approved on a voice vote of 3 Yes, 0 No, 1 Vacant.

*Prepared by:*

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